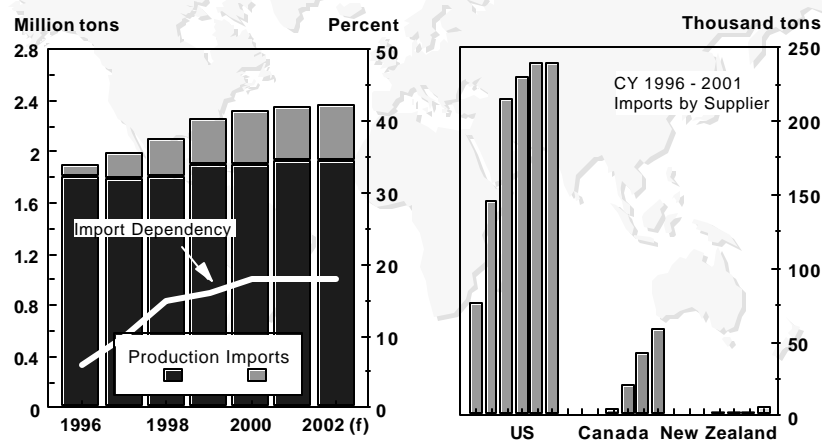


Mexico's Cattle and Beef Situation

	1996	1997	1998	1999	2000	2001 (p)	2002 (f)
Cattle (1,000 head)							
Total Supply*	36,262	35,182	34,210	33,551	32,550	31,496	30,296
Slaughter	8,180	8,200	8,000	8,150	8,200	8,300	8,310
Imports	122	260	182	192	235	195	200
Exports	460	670	721	970	1,224	1,280	1,300
Beef (1,000 tons; carcass weight equivalent)							
Production	1,800	1,795	1,800	1,900	1,900	1,925	1,930
Imports	105	203	307	358	420	426	430
Consumption	1,898	1,992	2,101	2,250	2,309	2,341	2,352

* Total supply = beginning inventories + calf crop + imports

In Stagnating Mexican Beef Import Market, Canada Challenges U.S. Preeminence



Mexico's beef production for 2002 is forecast up marginally from the previous year to continue at the record 1.9 million ton level. Investments to expand the cattle herd are hampered by restrictive interest rates and low producer profits. Cattle inventories for 2002 are projected to decline for the eighth consecutive year due to dry weather and attractive export prices. Cattle exports for 2002 are forecast at a record 1.3 million head, with most, if not all, destined for feed lots in the United States. Mexico is the world's fifth largest beef importer, and beef imports are forecast at a record level with the United States capturing the majority of the market. A growing middle-income population demanding more meat protein and a flourishing hotel and restaurant industry account for the continued growth in the meat sector. U.S. beef exports to Mexico totaled \$546 million in 2001, making Mexico the United States' second largest export market for beef.